

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 147 – HB 308

February 10, 2009

SUMMARY OF BILL: Establishes that self-insured local governments have the same tort limits as insured local governments. Requires that local governments waive the tort limits under the Tennessee Governmental Tort Liability Act (TGTLA) when they purchase insurance exceeding tort limits. Requires that local governments who opt out of the Workers' Compensation Law waive the tort limits under the TGTLA.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Exceeds \$1,000,000*

Assumptions:

- According to the County Technical Assistance Service (CTAS) and the Municipal Technical Advisory Service (MTAS), local governments routinely purchase insurance coverage higher than the tort limits under the TGTLA to cover federal liabilities, such as the Americans with Disabilities Act, the Family Medical Leave Act, and the Age Discrimination in Employment Act.
- Requiring local governments to waive the tort limits under TGTLA when they purchase this additional insurance will increase local government expenditures in an amount exceeding \$1,000,000 annually.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

/kmc

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